

The following-named passed assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names, to correct the date of rank as previously nominated and confirmed:

James S. Bierer, December 1, 1936.

Donald S. Gordon, March 1, 1937.

Walter N. Gray, March 13, 1937.

Albert P. Kohlhas, Jr., November 1, 1937.

Surgeon Leslie O. Stone to be a medical inspector in the Navy, with the rank of commander, to rank from the 23d day of June, 1938.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, to rank from the 23d day of June 1938:

Rolland W. Quesinberry

Clifford E. Kelly

Charles L. Tompkins

Henry G. Ralph

Ernest C. Johnson

Paymaster Orville D. Foutch to be a pay inspector in the Navy, with the rank of commander, to rank from the 23d day of June 1938.

The following-named captains to be rear admirals in the Navy, to rank from the date stated opposite their names:

John M. Smeallie, June 23, 1938.

William L. Calhoun, November 2, 1938.

## HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 5, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father's God, Thou who hast never forsaken Thy children, continue to bless, guide, and protect us. O Thou who dost seem so far away, be ever near, that we may behold the light of Thy countenance. Open Thou our spiritual eyes that we may see. Open our spiritual hearts that we may feel the pulsations of Thy loving heart. Do Thou work in us Thy holy will as it was in Him, who is the world's divinest Teacher and Redeemer. Thou hast been our help in ages past. By prayers, by tears, by the valor of our worthy sons, Thou hast raised up a republic to be an example and inspiration to all humanity. Eternal God, may it live yet for 10,000 years to be a protest against all forms of tyranny and oppression. Thou who wert from the beginning of time, may those things that cause discord and distrust be abated. May men learn war no more, Almighty God. May nations cease to act and move in the lower lobes of their natures. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

### SWEARING IN A MEMBER

Hon. MARTIN J. KENNEDY, a Representative-elect from the State of New York, appeared at the bar of the House and took the oath of office.

### ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

### HON. JOSEPH B. SHANNON

Mr. CANNON of Missouri. Mr. Speaker, I offer a resolution (H. Res. 34), which I send to the desk.

The Clerk read as follows:

### House Resolution 34

Whereas JOSEPH B. SHANNON, a Representative from the State of Missouri, from the Fifth District thereof, has been unable, because of sickness in his family, to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore be it

Resolved, That the Speaker, or a deputy named by him, be, and he is hereby, authorized to administer the oath of office to said JOSEPH B. SHANNON at Kansas City, in the State of Missouri, and that the said oath when administered as herein authorized shall be accepted and received by the House as the oath of office of the said JOSEPH B. SHANNON.

The resolution was agreed to.

The SPEAKER. Pursuant to the authority of House Resolution 34 just adopted, the Chair appoints the Honorable Allen C. Southern, judge of the Circuit Court of Jackson County, Mo., to administer the oath of office to the Honorable JOSEPH B. SHANNON.

### HON. GEORGE P. DARROW

The SPEAKER. Pursuant to the authority granted by House Resolution 14, Seventy-sixth Congress, the Chair appoints the Honorable WILLIAM DITTER to administer the oath of office to the Honorable GEORGE P. DARROW.

### PERMISSION TO ADDRESS THE HOUSE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that on Tuesday next, January 10, following the disposition of business on the Speaker's table, I be allowed to address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. RANKIN. Mr. Speaker, reserving the right to object, may I ask on what subject?

Mr. TREADWAY. The general good of the country. The information that I will impart to the gentleman from Mississippi will be for his benefit.

Mr. RANKIN. I am anxious to hear the gentleman make such a speech.

The SPEAKER. Is there objection?

There was no objection.

### EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a statement which I made before the committee investigating the Tennessee Valley Authority.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein brief extracts from a Swiss periodical.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

By unanimous consent, Mr. DICKSTEIN, Mr. O'NEAL, Mr. SHANLEY, and Mr. LUDLOW were granted permission to extend their own remarks in the Record.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks by incorporating a radio speech made by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks by including in the Record a statement I made yesterday before the Committee for Reciprocity on reciprocal trade agreement information, the statement to include excerpts from the President's inauguration speech March 1933 and from Governor Eccles, of the Federal Reserve Board.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that after the reading of the Budget message today I may proceed for 20 minutes.

The SPEAKER. The Chair desires to call the attention of the gentleman from Massachusetts to the fact that there are two messages from the President that should be read before any further business is transacted. Would the gentleman modify his request?

Mr. GIFFORD. Yes, Mr. Speaker.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that immediately following the reading of the two messages just received from the President of the United States he may be permitted to address the House for 20 minutes. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I do not want to object, I will say to the gentleman that I think during the next week there will be 2 or 3 days in which we will have very little to do. The Democrats have announced a caucus meeting on the adjournment of the House today. I do not know how long that caucus may take. Many of us are very busy right now with various matters. I would be very much pleased if the gentleman from Massachusetts would go over until Monday or Tuesday of next week.

Mr. GIFFORD. Mr. Speaker, in reply to the gentleman from Texas, I will say that the remarks I desire to make should immediately follow the Budget message, because they are applicable to that. They would lose their force, I am certain, on next week. I do not like to interfere with the proceedings of the House, but it seems to me we have ample time today to spare me 20 minutes, particularly as I wish to follow that particular subject.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I was going to submit a unanimous-consent request, asking permission to address the House for 10 minutes, to give the Members of Congress information relative to the financial statement of the Federal Treasury showing that we are \$1,573,000,000 in the red.

The SPEAKER. Will the gentleman kindly state his unanimous-consent request?

Mr. RICH. Because the majority leader does not want to give the time, I will refrain from asking it today but will give the information next week.

## THE BUDGET (H. DOC. NO. 29)

The SPEAKER laid before the House the Budget message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed, as follows:

## To the Congress of the United States:

Pursuant to provisions of law, I transmit herewith the Budget of the United States Government for the fiscal year ending June 30, 1940, together with this message, which is an integral part thereof. The estimates in this Budget are based upon a continuation of all taxes now in force and upon a careful analysis of the existing obligations and future needs of the Government. I, therefore, recommend appro-

priations for the purposes specifically detailed in the tables which follow.

## THE BUDGET AND THE NATIONAL INCOME

Taxation yields almost all of the income of the Government, leaving less than 5 percent to come from miscellaneous sources. Revenue from taxes depends mainly on two factors: The rate of taxation and the total of the national income. This holds true not only of direct taxes on personal and corporate income but also of what are known as ad valorem taxes or other forms of indirect taxes, for the very good reason that the volume and value of goods produced or articles imported vary with the rise or fall of the Nation's total income.

We can and do fix the rate of taxation definitely by law. We cannot by a simple legislative act raise the level of national income, but our experience in the last few years has amply demonstrated that through wise fiscal policies and other acts of government we can do much to stimulate it.

Today the Nation's income is in the neighborhood of \$60,000,000,000 a year. A few years ago it was much lower. It is our belief that it ought to be much higher.

In order that you may know the amount of revenue which the Government may expect under the existing tax structure as the national income rises, the following table is submitted. It shows the estimated revenues which may be derived when national income reaches certain levels between seventy billion and ninety billion dollars.

*Estimated Federal receipts<sup>1</sup> by principal sources at certain assumed levels of national income based on December 1938 tax rates*

[In billions of dollars]

National income	70	80	90
Income taxes.....	2.5	3.9	5.7
Miscellaneous internal revenue.....	2.2	2.6	3.1
Customs.....	.4	.5	.7
Miscellaneous receipts.....	.2	.2	.2
Pay-roll taxes.....	.7	.8	.9
Total.....	6.0	8.0	10.6

<sup>1</sup> Tax liabilities excluding trust accounts. Pay-roll taxes at calendar year 1938 rates.

The table is not intended to indicate the national income for any particular year and, of necessity, the estimates are rough and may vary somewhat either way. Since taxes are paid from 1 month to 15 months after income is realized, the achievement of a \$90,000,000,000 national income in 1 year will not, for instance, mean tax collections of \$10,000,000,000 in that same year. This table is an indicator and not a gage.

During the past 9 fiscal years—a period which has seen the national income drop from a high of \$81,000,000,000 in the calendar year 1929 to around \$40,000,000,000 in 1932 and rise again to about \$70,000,000,000 in 1937—Federal revenues, even though on a higher tax base, have never completely covered expenditures.

We require continual study of the revenues necessary to carry on the normal functions of the Federal Government and of the role which Federal policy should play in the stabilization of the national economy.

This study includes a consideration of: (a) The practicability of reclassifying expenditures on a functional basis and the most appropriate methods of financing the different classifications; (b) the problem of human security including relief and its costs; and (c) the correlation between national income on the one hand and Government receipts and expenditures on the other.

An analysis of receipts and expenditures by major classes over a 10-year period, as set forth in the following table, indicates the nature of the problems to be studied.



*Actual and estimated receipts and expenditures of the Government for the fiscal years 1931-40*  
 [Classifications include expenditures from both general and emergency funds]  
 [In millions of dollars]

[in millions of dollars]											
	Total, 1931- 40	Estimated		Actual							
		1940	1939	1938	1937	1936	1935	1934	1933	1932	1931
RECEIPTS											
Internal revenue:											
Income tax	15,789	1,903	2,086	2,635	2,158	1,427	1,099	818	746	1,057	1,800
Tax on unjust enrichment	24	6	6	6	6						
Miscellaneous internal revenue	16,035	2,333	2,173	2,280	2,181	2,009	1,657	1,470	858	504	570
Taxes under Social Security Act	2,153	686	611	604	252						
Taxes upon carriers and their employees	383	124	109	150							
Processing tax on farm products	951										
Railroad Unemployment Insurance Act	5	5				77	521	353			
Customs	3,583	404	335	359	486	387	343	313	251	328	377
Miscellaneous receipts	2,110	208	200	208	211	216	180	162	225	117	377
Total receipts	41,033	5,669	5,520	6,242	5,294	4,116	3,800	3,116	2,080	2,006	3,190
EXPENDITURES											
Ordinary expenditures:											
Legislative, judicial, and civil establishments:											
Legislative establishment	197	22	21	21	21	22	18	16	16	19	21
Department of Agriculture	1,050	136	152	134	149	119	71	63	66	94	66
Department of Commerce	358	49	31	30	33	37	33	25	33	39	48
Department of the Interior	694	92	95	92	73	62	65	45	54	61	55
Department of Justice	405	50	42	41	37	38	33	31	42	48	43
Department of Labor	197	22	20	26	31	27	18	12	14	15	12
Post Office Department (deficiency)	876	53	57	47	39	86	64	64	117	203	146
Department of State	159	17	17	17	17	17	16	11	15	17	15
Treasury Department	1,452	170	165	156	155	145	123	111	132	159	136
War Department (nonmilitary)	490	51	54	52	54	47	50	44	43	47	48
District of Columbia (United States' share)	64	5	5	5	5	6	5	6	8	10	9
Independent offices and commissions	735	148	120	91	75	69	66	30	44	44	48
Supplemental items	70	50	20								
Total, legislative, judicial, and civil	6,747	865	799	712	689	675	562	458	584	756	647
National defense	8,019	1,126	1,017	980	895	880	663	494	633	664	667
Veterans' pensions and benefits	9,050	539	540	572	1,128	2,348	604	554	849	973	943
Interest on the public debt	8,045	1,050	976	926	866	749	821	757	689	599	612
Refunds of receipts	750	71	66	100	56	54	77	64	70	101	91
Agricultural Adjustment Program	3,820	694	703	362	527	533	712	289			
Social security	2,915	928	833	678	448	28					
Railroad retirement	390	127	112	145	6						
Government employees' retirement funds	428	87	75	73	47	41	21	21	21	21	21
Other (Commodity Credit losses, settlement of war claims, etc.)	171			98	1	1	13	14	5	49	6
Supplemental items	180	50	130								
Total, national defense, etc.	33,768	4,672	4,452	3,934	3,974	4,634	2,895	2,193	2,267	2,407	2,340
Total, ordinary expenditures	40,515	5,537	5,251	4,646	4,663	5,309	3,457	2,651	2,851	3,163	2,987
Extraordinary expenditures:											
Supplemental item:											
New national-defense program	210	210									
Public works:											
Public highways	2,424	213	232	237	351	244	317	268	178	210	174
Tennessee Valley Authority	263	40	43	42	42	49	36	11			
Reclamation	459	68	93	65	52	50	41	25	25	26	14
Rivers and harbors, improvement	905	60	83	98	148	150	133	76	51	55	51
Flood control	510	101	98	61	45	36	31	41	34	28	35
Public buildings	740	62	69	77	76	68	58	79	106	86	68
Grants to public bodies, including administration	1,523	366	392	190	273	234	49	19			
Other	1,128	134	228	110	115	83	101	166	78	94	79
Total	7,952	1,044	1,229	880	1,102	914	766	625	472	499	421
Unemployment relief:											
Direct relief	4,048	42	97	154	184	588	1,916	716	351		
Work relief (Works Progress Administration, etc.)	7,198	7	1,604	1,516	1,957	1,298	11	805			
Civilian Conservation Corps	2,550	285	290	326	386	486	436	332	9		
Supplemental items	2,435	1,685	750								
Total	16,231	2,019	2,741	1,996	2,527	2,372	2,363	1,853	360		
Loans, subscriptions to stock, etc. (net)	3,339	120	271	104	150	71	424	882	181	873	263
Supplemental item	65	65									
Total, extraordinary expenditures	27,797	3,458	4,241	2,980	3,779	3,357	3,553	3,360	1,013	1,372	684
Total expenditures, exclusive of debt retirement	68,312	8,995	9,492	7,626	8,442	8,666	7,010	6,011	3,864	4,535	3,671
Net deficit	27,279	3,326	3,972	1,384	3,148	4,550	3,210	2,895	1,784	2,529	481
Increase in gross public debt	28,273	3,326	3,967	740	2,647	5,077	1,648	4,514	3,052	2,686	616
Gross public debt at the end of each fiscal year		44,458	41,132	37,165	36,425	33,778	28,701	27,053	22,539	19,487	16,801

<sup>1</sup> Excess of credits, deduct.

NOTE.—This statement is on the basis of the daily Treasury statement as revised on July 1, 1938.

## ORDINARY EXPENSES

The expenditure side of a budget may be divided into two major classes, namely, ordinary, which includes the operating expenditures for the normal and continuing functions of government, and extraordinary, which includes those expenditures required to met the nonoperating or the unusual costs of government.

General public works of an annual recurring nature may fall in either class, but in view of their flexibility they have been classed as extraordinary for the purpose of this statement.

The foregoing table shows that the excess of expenditures over revenues in the ordinary classification is attributable to various causes: New functions undertaken; more carrying charges on the national debt, though at lower interest rates; and the inauguration of the social security and agricultural programs. Under all of these classifications new expenditures have been added without corresponding increases in taxes.

Fixed costs have also increased because of numerous new appropriations for grants and subsidies.

Another type of expenditure has been forced upon us in increasing volume by the real necessity for expanding our national defense. We are all aware of the grave and unsettling developments in the field of international relations during the past few years. Because of the conditions of modern warfare we must now perform in advance tasks that formerly could be postponed until war had become imminent. A large part of additional national-defense expenditures should, I think, be put in a special category on a temporary basis.

The operating expenses of the Government have also increased because of reductions in the hours of work of certain classes of Federal employees and because of expansion of the normal functions of the Government with the growth of the country.

Among the new governmental functions which have added to the costs of the ordinary budget, the farm program is outstanding. Soil-conservation expenditures and other outlays for the crop-adjustment program which are of a continuing nature and produce no direct return to the Federal Government have been only partially covered by new revenues.

A new and partly self-financing addition was made to the ordinary expenditures when the Social Security Act was passed to safeguard the economic security of a large portion of our population. However, no provision was made for revenues which would pay for grants to States for old-age assistance, for maternal and child welfare, for public-health work, and for aid to dependent children and the blind, which expenditures in 1940 will approximate \$286,000,000. Furthermore, consideration is now being given to plans for spreading the coverage of, and for revising the benefits under, the Social Security Act, and for improving public-health facilities. These plans present major questions of future national policy and directly affect the Budget.

## EXTRAORDINARY EXPENDITURES

Beyond these questions of ordinary expenditures are those which relate to the nonoperating or unusual costs of Government and involve extraordinary expenditures that deal more particularly with the relationship between fiscal policy and the economic welfare of the country. These questions concern Government loans, capital outlays, and relief of need. Expenditures made under these heads are of such a flexible character as to provide, through their contraction or expansion, a partial offset for the rise or fall in the national income.

The public has been showing an increased interest in the adoption by the Government of a form of budget which would conform more nearly to the practice followed in commercial business. There has been some criticism of the Government's practice of including in its budgetary expenditures

amounts disbursed for loans, or for self-liquidating projects, or for other extraordinary capital outlays which increase the wealth of the Nation.

I recognized the merit of constructive suggestions of this nature by recommending in my last Budget message a change in the method of financing the requirements of the Commodity Credit Corporation. This recommendation provided for an annual appraisal of the assets and liabilities of the Corporation, and contemplated that any surplus from operations or any impairment of capital resulting from losses be reflected as receipts or expenditures in the annual Budget. Under this method the Budget would be affected, not when the investment or loan is made, but in the fiscal year when the surplus or loss occurs. Congress approved this recommendation in the act of March 8, 1938, and it might well give consideration to an extension of this principle to other governmental corporations and credit agencies, such as:

Agencies under the Farm Credit Administration.  
Electric Home and Farm Authority.  
Export-Import Bank of Washington.  
Farm Security Administration.  
Federal Crop Insurance Corporation.  
Federal Savings and Loan Insurance Corporation.  
Home Owners' Loan Corporation.  
Inland Waterways Corporation.  
Panama Railroad.  
Reconstruction Finance Corporation.  
Rural Electrification Administration.  
United States Maritime Commission.

Public projects of a self-liquidating character represent another class of expenditures appearing in the annual Budget as current outlays, to which this principle might also be applied. For example, outlays for the Boulder Canyon project amounting to more than \$120,000,000 have been included in annual budgetary expenditures of the Government, notwithstanding that the total cost of the project, including capitalized interest during the period of construction, will be returned to the Government within 50 years, with interest.

While I do not advocate that the Government capitalize all of its expenditures for physical improvements, it seems to me that such portions of the cost of public projects as are clearly self-liquidating should occupy a separate category in budgetary reporting. Our financial statements, of course, should clearly reflect, in appropriate classifications, the amount of Government outlays for physical improvements that are not self-liquidating in character. We must take into account the necessity for making such of these and other changes as will permit the presentation to the Congress and to the public of more accurate and intelligible statements of the financial operations of the Government.

I should like to call your attention to the following table comparing for the 10-year period the amount of the Federal deficit and the increase in the public debt, with the amount included therein for capital outlays. It should be understood that this table is not intended to represent values on an earning basis. Nevertheless, under our policy of expanding capital outlays to compensate for variation in private capital expenditures and of making loans to meet emergency needs of our people, the table clearly shows that the greater part of the deficits and the larger part of the increase in the public debt have gone for permanent additions to our national wealth.

Let us all fix that fact in our minds so that there shall be no doubt about it and so that we may have a clear and intelligent idea of what we have been doing. We have not been throwing the taxpayers' money out of the window or into the sea. We have been buying real values with it. Let me repeat: The greater part of the budgetary deficits that have been incurred have gone for permanent, tangible additions to our national wealth. The balance has been an investment in the conservation of our human resources, and I do not regard a penny of it as wasted.



Comparison of Federal outlays for durable improvements and recoverable loans and investments with the net deficit and increase in gross public debt for the period July 1, 1930, to June 30, 1940  
[In millions of dollars]

	Actual								Estimated		Total
	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	
Deficit, excluding debt retirement <sup>1</sup> .....	481	2,529	1,784	2,895	3,210	4,550	3,148	1,385	3,972	3,326	27,279
Increase in gross public debt.....	616	2,686	3,052	4,514	1,648	5,077	2,647	740	3,967	3,326	28,273
Federal outlays for durable improvements and recoverable loans and investments:											
Direct Federal public works.....	247	289	294	338	400	436	478	453	605	465	4,013
Recoverable loans and investments <sup>1</sup> .....	263	873	181	881	423	69	115	72	234	123	3,234
Public roads.....	174	210	178	268	317	244	351	237	232	213	2,424
Conservation work through Civilian Conservation Corps.....			9	332	436	486	386	326	290	285	2,550
New construction projects of Works Progress Administration <sup>1</sup> .....						406	595	464	734	488	2,637
Grants to public bodies for public works (including administration).....				19	49	234	273	190	392	366	1,523
Total outlays.....	684	1,372	662	1,838	1,625	1,875	2,198	1,742	2,487	1,940	16,431
Stabilization fund <sup>1</sup> .....											2,000
											18,431

<sup>1</sup> This statement is on the basis of the daily Treasury statement as revised on July 1, 1938.

<sup>2</sup> This amount excludes \$170,000,000 of repayments covered into miscellaneous receipts of the Treasury.

<sup>3</sup> The Works Progress Administration has estimated that between 30 percent and 40 percent of the expenditures of that Administration represent outlays for new construction. This does not represent the entire amount of durable improvements made with Works Progress Administration funds, since additions to existing structures are not classed as new construction. However for the purposes of this statement a figure has been used representing only new construction, namely, 34 percent of the Works Progress Administration expenditures, after excluding administrative expenses, expenses of the National Youth Administration, and expenditures for rural rehabilitation.

<sup>4</sup> This fund was established from the increment resulting from reduction in weight of the gold dollar. This increment was not included in the general receipts of the Government, nor was the expenditure for the establishment of the stabilization fund classed as general. Thus the transactions which resulted in this fund did not in any way affect the deficit. Nevertheless, the balance remaining in this fund could, when no longer needed for the purpose of stabilization, be utilized as an offset against the increase in the debt.

A year ago I recommended an increase in work relief, public works, and other related expenditures to check the downward spiral of business. The program undertaken at that time has contributed materially, I believe, to the existing upward movement of business and employment; and I feel that the businessmen and farmers and workers of the country, no less than the unemployed, are entitled to an assurance that this program will not be curtailed arbitrarily or violently.

The actual cost of work relief and similar expenditures goes down after jobs are found by the workers on these rolls. A violent contraction, before the natural expansion of private industry is ready to take up the slack, would mean not only human misery but a disruptive withdrawal from American industry of a volume of purchasing power which business needs at this time. The necessity of increasing Federal expenditures a year ago to check a recession is a well-known fact. Any decision to decrease those expenditures now that recovery has just started would constitute a new policy which ought not to be adopted without full understanding of what may be the result.

May I say emphatically that I am not suggesting an ordinary budget which is always balanced and an extraordinary budget which is always unbalanced. The ordinary expenses of government should continue to be met out of current revenues. But I also hope that those revenues in times of prosperity will provide a surplus which can be applied against the public debt that the Government must incur in lean years because of extraordinary demands upon it.

I believe I am expressing the thought of the most farsighted students of our economic system in saying that it would be unwise either to curtail expenditures sharply or to impose drastic new taxes at this stage of recovery. But in view of the addition to our public expenditures involved in the proposed enlarged national-defense program and the program for agricultural parity payments, for which no revenue provision has yet been made, I think we might safely consider moderate tax increases which would approximately meet the increased expenditures on these accounts. It should be added, however, that it is my firm conviction that such new taxes as may be imposed should be most carefully selected from the standpoint of avoiding repressive effects upon purchasing power.

Sound progress toward a budget that is formally balanced is not to be made by heavily slashing expenditures or drastically increasing taxes. On the contrary, it is to be sought by employing every effective device we may have at our com-

mand for promoting a steady recovery, which means steady progress toward the goal of full utilization of our resources. We can contribute very materially toward that end by a wise tax program.

I am recommending the reenactment of the excise taxes which will expire in June and July of this year, not because I regard them as ideal components of our tax structure, but because their collection has been perfected, our economy is adjusted to them, and we cannot afford at this time to sacrifice the revenue they represent. If the Congress should at this session adopt new taxes more scientifically planned to care for the defense and agricultural programs, it is quite possible that the existence of these new taxes will enable us in a later year to give consideration to abolishing some of the present excise levies.

The revised estimate of receipts for the fiscal year 1939 as contained in this Budget is \$5,520,070,000 and of expenditures \$9,492,329,000, leaving a deficit of \$3,972,259,000.

The estimated receipts for the fiscal year 1940 amount to \$5,669,320,000 and the expenditures for that year are estimated at \$8,995,663,000, resulting in a deficit of \$3,326,343,000.

#### RECOMMENDATIONS

Temporary miscellaneous internal-revenue taxes: I recommend that the Congress take steps by suitable legislation to extend the miscellaneous internal-revenue taxes which under existing law will expire next June and July, and also to maintain the current rates of those taxes which would otherwise be reduced next June. I consider that the revenue from such taxes or its equivalent is necessary for the financing of the Budget for 1940.

Postal receipts: The estimates of appropriations for the Postal Service included in the 1940 Budget are predicated upon the enactment of legislation to provide for the continuance during that fiscal year of the 3-cent postage rate for first-class mail other than for local delivery. While the Government collects more than it spends on first-class mail, the Postal Service is not self-supporting because it carries other classes of mail at less than cost, as shown in the tabular footnote.

Civilian Conservation Corps: The Civilian Conservation Corps has demonstrated its usefulness and has met with general public approval. It should be continued beyond June 30, 1940, and I recommend that Congress enact during its present session the necessary legislation to establish the Corps as a permanent agency of the Government.

REVIEW OF THE FISCAL YEARS 1938 AND 1939, AND THE FISCAL PROGRAM FOR 1940

This review concerns the cash actually received and paid out by the Treasury in the fiscal year 1938, the estimates of receipts and expenditures for the fiscal year 1939, and the fiscal program for 1940.

*Fiscal year 1938*

**Receipts:** Total general fund receipts for the fiscal year 1938 amounted to \$6,241,661,227 which was a gain over 1937 of \$947,821,000. The receipts from income taxes were \$477,091,000 in excess of the amount collected from that source in 1937 while miscellaneous internal-revenue taxes were \$98,235,000 more. The amounts collected from pay-roll taxes under the Social Security and Carriers' Taxing Acts were \$502,075,000 in excess of the amounts collected from the same sources during 1937. Approximately the same amounts were received in each of the 2 years from the tax on unjust enrichment and from miscellaneous receipts. On the other hand, the revenue from customs during 1938 declined \$127,169,000 from the 1937 collections.

**Expenditures:** The total expenditures for the fiscal year ended June 30, 1938 (exclusive of expenditures for debt retirement and those payable from postal revenue) amounted to \$7,625,822,158, as compared with expenditures on the same basis in 1937 of \$8,442,408,756. Of the reduction of \$816,586,000 in the 1938 expenditures below those of 1937, the bonus payment, which was a nonrecurring item in 1937, accounts for \$556,665,000. Recovery and relief was \$772,539,000 less in 1938 than in 1937, and transactions in revolving funds were \$82,583,000 less. Transfers to trust accounts increased \$290,937,000, while expenditures for other purposes were \$304,264,000 greater.

**Deficit and public debt:** The gross deficit for the fiscal year 1938 amounted to \$1,449,625,881. Excluding \$65,464,950 for statutory debt retirement, the net deficit was \$1,384,160,931. The estimated net deficit submitted a year ago, as revised and adjusted, was \$1,204,330,000. The increase in the gross public debt during the year amounted to \$740,126,583, bringing the gross debt on June 30, 1938, to \$37,164,740,315.

*Fiscal year 1939*

**Receipts:** The total anticipated general fund receipts for the fiscal year 1939 will be \$5,520,070,000, or \$399,367,000 less than was anticipated in the Budget estimates of last January and \$721,591,000 less than for 1938.

This latter decrease reflects the adverse business conditions of the late months of the 1937 and the early months of the 1938 calendar years, and is particularly true of income taxes which it is estimated will decline \$548,618,000 below the actual collections in 1938. Miscellaneous internal revenue is expected to be \$106,483,000 less, and pay-roll taxes will be \$34,781,000 less than in 1938. Customs revenues are expected to show a decrease of \$24,187,000 and miscellaneous receipts a decrease of \$8,356,000.

**Expenditures:** The total expenditures (exclusive of expenditures for debt retirement and those payable from postal revenue) for the fiscal year 1939 are now estimated at \$9,492,329,000.

Expenditures for recovery and relief, including expenditures under an anticipated supplemental appropriation for the last 5 months of the present fiscal year, will amount in 1939 to \$3,187,695,000, an increase of \$951,528,000 over expenditures for this purpose in 1938. There are also increases of \$170,937,000 for the regular departments and agencies; \$115,106,000 for the General Public Works Program; \$53,079,000 for national defense; \$346,318,000 for the agricultural adjustment program, largely for cotton price adjustments and parity payments; \$38,785,000 for grants and administrative expenses under the Social Security Act; \$49,719,000 for interest on the public debt; \$17,992,000 under revolving funds; \$78,449,000 for transfers to trust accounts; and \$150,000,000 for supplemental items other than for relief. There are decreases of \$2,945,000 for the legislative establishment, the Judiciary, and the Executive Office; \$32,343,000 for veterans' pensions and benefits; \$36,383,000 for the Civilian Conservation Corps; and \$33,734,000 for refunds of taxes.

**Deficit and public debt:** Excluding public debt retirements, the net deficit for 1939 is now estimated at \$3,972,259,000, as compared with an actual net deficit in 1938 of \$1,384,160,931. The gross public debt on June 30, 1939, is estimated at \$41,131,502,010.

*Fiscal year 1940*

**Receipts:** Revenue estimates for the fiscal year 1940 are based on the assumption that certain taxes which would otherwise expire in June and July 1939, will be continued. The total anticipated receipts for the fiscal year 1940 on this basis are \$5,669,320,000, an increase of \$149,250,000 over the estimated revenues for the fiscal year 1939. The effect of the business recession which began late in 1937 will continue to be felt in income-tax collections during the fiscal year 1940 and such collections are expected to be \$183,000,000 below those for 1939. Miscellaneous internal revenue on the other hand will increase \$160,400,000 over 1939, and pay-roll taxes are expected to be \$90,250,000 higher. The tax on unjust enrichment is expected to remain at the same figure as in 1939. The amount of contributions under the Railroad Unemployment Insurance Act, which appears as a new item in 1940, will be \$4,950,000. Customs receipts are expected to show an increase of \$68,900,000 over collections from this source during the present fiscal year, and miscellaneous receipts are expected to be greater than in 1939 by \$7,750,000.

**Expenditures:** The expenditures contemplated for the fiscal year 1940—exclusive of expenditures for debt retirement and those payable from postal revenues—total \$8,995,663,200, which is \$496,666,000 less than the amount estimated for 1939. There are increases of \$1,046,000 under the legislative and judicial establishments; \$83,735,000 for the civil departments and agencies; \$8,665,000 under the General Public Works Program; \$28,121,000 under the Social Security Act; \$74,000,000 for interest on the public debt; \$4,510,000 for refunds of taxes; and \$87,097,000 under transfers to trust accounts.

For recovery and relief it is estimated that \$2,266,165,000 will be needed, or \$921,530,000 less than the amount required for this purpose in 1939. Supplemental estimates of appropriations will be submitted to meet the requirements of the Works Progress Administration, the National Youth Administration, and the Farm Security Administration for the fiscal year 1940. Of the estimated expenditure of \$2,266,165,000 for recovery and relief purposes, \$1,750,000,000 is the amount estimated for expenditure by these three agencies; \$469,165,000 by the Public Works Administration and various departments from old balances of emergency funds, \$10,000,000 by the Federal Housing Administration, and \$37,000,000 for reduction in interest rates on farm mortgages.

National-defense expenditures for 1940 will amount to \$1,319,558,000. This is an increase of \$309,351,000 over the contemplated expenditures for national-defense purposes in 1939 and represents an increase of \$99,351,000 for continuing the current program and \$210,000,000 on account of the new \$500,000,000 program to be submitted at a later date.

There are decreases in estimated expenditures under the agricultural adjustment program of \$13,667,000; under the Civilian Conservation Corps of \$5,000,000; under revolving funds of \$101,949,000; under veterans' pensions and benefits of \$1,044,000; and under regular supplemental items of \$50,000,000.

**Deficit and public debt:** The estimated net deficit for the fiscal year 1940 is \$3,326,343,200, or \$645,916,000 less than the net deficit for the current fiscal year. The gross public debt on June 30, 1940, is estimated at \$44,457,845,210.

It should be pointed out, however, that the increase in the debt by reason of the deficit does not mean that the Treasury will borrow that additional sum on the market. There will be available during the fiscal year for investment in special issues of Government obligations the net sum of approximately \$950,000,000, which represents investments of \$579,000,000 from the old-age reserve account, \$271,000,000 from the unemployment trust fund, and \$100,000,000 from the railroad and Government employees' retirement funds and from veterans' funds.



The following table shows the gross public debt at the end of the fiscal years 1936, 1937, and 1938, and the estimated gross debt at the end of the fiscal years 1939 and 1940.

[In millions of dollars]

	June 30, 1940 (esti- mated)	June 30, 1939 (esti- mated)	June 30, 1938	June 30, 1937	June 30, 1936
<b>Market operations:</b>					
Held by—					
Public (banks, insur- ance companies, trust companies, corporations, indi- viduals, etc.).....	35,440	33,073	30,144	30,677	29,408
Federal Reserve Sys- tem.....	2,564	2,564	2,564	2,526	2,430
Governmental agen- cies.....	601	1,601	565	451	381
Government trust funds.....	1,260	11,260	1,217	1,212	933
	39,874	37,498	34,490	34,866	33,152
<b>Special issues:</b>					
Held by—					
Old-age reserve ac- count.....	1,751	1,172	662	267	-----
Unemployment trust fund.....	1,480	1,209	872	312	19
Railroad retirement account.....	81	76	66	-----	-----
Employees' retire- ment funds.....	551	463	396	316	280
Veterans' funds.....	564	557	549	538	127
Other.....	157	157	130	125	200
	4,584	3,634	2,675	1,553	626
<b>Gross debt.....</b>	<b>44,458</b>	<b>41,132</b>	<b>37,165</b>	<b>36,424</b>	<b>33,778</b>

<sup>1</sup> As of Dec. 1, 1933, and it is assumed for the purpose of this statement only that they will remain at these amounts throughout the fiscal years 1939 and 1940.

**Appropriations:** The appropriations recommended in this Budget, including those for the Postal Service, District of Columbia, and probable supplemental items, total \$10,190,311,483. The appropriations already made and prospective supplemental items for the fiscal year 1939 for the same purpose total \$10,928,609,972. This is a decrease of \$738,298,489.

FRANKLIN D. ROOSEVELT.

JANUARY 3, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ADDITIONAL RELIEF APPROPRIATIONS FOR THE FISCAL YEAR 1939 (H. DOC. NO. 87)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed.

*To the Congress of the United States:*

In my message of April 14, 1938, I presented to the Congress certain recommendations covering programs for the Works Progress Administration, for public works, and for housing, which were designed to increase the purchasing power of the Nation, to stimulate business activity, and to provide increased employment. Subsequently, in the Emergency Relief Appropriation Act of 1938, approved June 21, 1938, the Congress appropriated to the Works Progress Administration the sum of \$1,425,000,000, together with certain balances of previous allocations to that Administration which remained unobligated on June 30, 1938. By other legislation, \$23,000,000 of this appropriation was reserved for specific purposes and therefore was not available for the Works Progress Administration program. In section 2 of the act, the Congress provided that the available funds should be apportioned over the first 8 months of the fiscal year 1939, and further authorized me to modify that apportionment in the event of an extraordinary emergency or unusual circumstance which could not be anticipated at the time the apportionment was made.

Since the enactment by the Congress of legislation providing funds for the programs recommended in my message, substantial business and industrial improvement has occurred throughout the country. However, during the period prior to the adoption of this legislation, when unemployment

was increasing, the increase in the number employed on the Works Progress Administration program did not keep pace with the need for employment because the Works Progress Administration had funds to employ only part of those who were out of jobs.

In addition, in a period of increasing unemployment there is a lag before the impact of the jobless reaches the Works Progress Administration. This is because workers who lose their jobs exhaust their private resources before applying for relief. Furthermore, the time intervening between the loss of private jobs and the need for Works Progress Administration employment is now considerably greater than heretofore because of the operation of the unemployment compensation program.

Therefore, with the passage of the Emergency Relief Appropriation Act of 1938, the Works Progress Administration expanded its program in an effort more nearly to meet the needs of the unemployed. While beginning in July 1938, 125,000 to 150,000 workers were voluntarily leaving Works Progress Administration projects each month, it was necessary to add from 200,000 to 300,000 others monthly to the rolls in order to meet the needs of those whose personal resources or compensation benefits had become exhausted, and to take back as required by section 12 of the act, those who had left the Works Progress Administration for private employment and whose employment had been terminated through no fault of their own.

The demands upon the Works Progress Administration appropriation were increased by two additional factors. The critical foreign situation has had an adverse effect upon American business and industrial employment in this country, and has been an unexpected deflationary force affecting the prices of commodities entering into world markets, such as certain of our important agricultural commodities. This has accentuated relief problems in important areas in the country. In addition, the hurricane which devastated large areas of New England last September seriously dislocated industry and trade in the northeastern section of the country and added to the relief burden in that area.

As a result of the foregoing factors, the employment provided from the Works Progress Administration appropriation increased from 2,900,000 at the beginning of July 1938, to a peak of 3,350,000. During the past few weeks the number has been declining. On December 24, 1938, the total had fallen to 3,112,000, and it is expected that the employment during the month of January will approximate 3,000,000. The foregoing figures include employment provided with funds transferred by the Works Progress Administration to other Federal agencies under the authority of section 3 of the act. An average of 90,000 persons are thus employed under conditions entirely similar to those pertaining in the main Works Progress Administration program.

Under the conditions outlined above, the funds appropriated to the Works Progress Administration will be barely adequate to finance the operations of that agency through the month of January 1939. Therefore, in accordance with the authority contained in section 2 of the Emergency Relief Appropriation Act of 1938, I have apportioned those funds to be used during the first 7 months of the fiscal year.

It is believed that sufficient funds should now be appropriated to the Works Progress Administration for the balance of the current fiscal year to employ an average of 3,000,000 workers in February and March, and a diminishing number beginning in April which would reach a figure of 2,700,000 in June. This would include the numbers to be employed with funds transferred to other Federal agencies. The employment proposed for February and March, which is the same number that is expected to be reached in January, is justified by seasonal factors and the lag in outside construction operations which always occurs on account of weather conditions. In fact, there is normally an increase in the need for employment during these winter months, and the funds available to the Works Progress Administration have not been sufficient to enable it to assign to its program a large number of employable persons who have been certified as in need of relief.

The Works Progress Administration program is at present being conducted at an average Federal cost of approximately \$61 per worker per month, of which only \$2 is overhead administrative expense. Therefore to provide the employment set forth above, a deficiency appropriation of \$875,000,000 will be required, and this is the amount which I recommend to the Congress. In view of the fact previously mentioned, that the funds now available are barely sufficient to finance the Works Progress Administration through the month of January 1939, I urge speedy action on the part of the Congress to provide these additional funds in order to prevent disruption of the program and consequent suffering and want on the part of the unemployed.

I realize that the Congress may wish to prescribe by legislation the manner in which funds appropriated to the Works Progress Administration and other appropriations shall be distributed. However, the problem of distributing work relief funds is a complicated one involving factors not only of population but of economic and unemployment conditions in various sections of the country. The hasty adoption of legislative provisions, to be immediately effective, which radically change the present method of distributing Works Progress Administration funds would greatly complicate the administration of the program in the coming months. I therefore believe that the Congress should make this question the subject of study and hearings, with a view to determining a policy to obtain in the fiscal year 1940, but that the appropriation recommended in this message should be made on the same terms as that for the first part of the fiscal year 1939.

No one wishes more sincerely than I do that the program for assisting unemployed workers shall be completely free from political manipulation. However, anyone who proposes that this result can be achieved by turning the administration of a work program over to local boards is either insincere or is ignorant of the realities of local American politics.

It is my belief that improper political practices can be eliminated only by the imposition of rigid statutory regulations and penalties by the Congress, and that this should be done. Such penalties should be imposed not only upon persons within the administrative organization of the Works Progress Administration, but also upon outsiders who have in fact in many instances been the principal offenders in this regard. My only reservation in this matter is that no legislation should be enacted which will in any way deprive workers on the Works Progress Administration program of the civil rights to which they are entitled in common with other citizens.

In connection with the above, I invite your attention to the fact that under the provisions of Executive Order No. 7916 the administrative employees of the Works Progress Administration, with the exception of a relatively small number of positions, will be brought under the civil service on February 1, 1939.

It is my intention to transmit to the Congress, probably in the month of April, a supplemental estimate covering the appropriation which will be required to provide work relief for persons in need in the fiscal year 1940.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 5, 1939.

The SPEAKER pro tempore (Mr. WOODRUM of Virginia). Pursuant to the order of the House heretofore entered, the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 20 minutes.

Mr. GIFFORD. Mr. Speaker, the last words of the last message to which you have just listened are words that will be ringing in your ears for some time to come. They were, in effect, "Those who do not agree with me are either insincere or ignorant."

Doubtless this did not escape your attention.

For the information of the new Members of this House I wish to say that I happen to be the ranking Republican member on the Committee on Expenditures in the Executive Departments, but the majority control the committee and will

allow no hearings on their expenditures. This, then, is the only forum I have in which I may secure an opportunity for expression.

I dislike very much to change the plans of the majority leader, but I desire that these remarks follow immediately the reading of the President's Budget message today; and again there should be the specters of former Budget messages following directly behind. Last year I named similar remarks "The specter of a former Budget." The year before that I gave to my remarks the title, "A \$7,000,000,000 Government permanently established." At that time many expressed amusement and unbelief. Today the Budget message discloses that it is a \$10,000,000,000 Government this year, and a \$10,000,000,000 Government in 1940, and that undoubtedly means permanently established. In his message on yesterday the President said in effect that if you do not establish a \$10,000,000,000 Government you cannot have a \$80,000,000,000 nation. So we must accept a \$10,000,000,000 Government as being permanent. Any suggestion, any lamentation—as some have heretofore termed it—from me, has never been overstatement. Rather have I greatly understated it. Some years ago we predicted a \$40,000,000,000 debt and Mr. Eccles said at the time that we could stand it. You ridiculed my prediction. Today you read that it will be some \$44,000,000,000 in 1940. If he now says that it will be \$44,000,000,000 a year from today, it will certainly be \$45,000,000,000 and more, because on every occasion when he has sent in a Budget message he has been from \$1,000,000,000 to \$2,000,000,000 in error in his estimates.

In 1937 he told us that we would have a surplus of \$1,500,000,000 in 1938, which would take care of relief during that fiscal year. Today he tells you that when the books were closed the deficit was \$1,300,000,000.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Oh, wait a few minutes. I know the gentleman does not enjoy this, but I ask him to be patient for a little.

Mr. WHITE of Idaho. I want a little information.

Mr. GIFFORD. You are getting it.

Oh, this message today, to which I listened carefully, is full of alibis. I want you new Members to do as I do; take the Budget messages printed in the CONGRESSIONAL RECORDS for the last 3 or 4 years and spread them on your desk. Then, by comparison, you will learn much about the fiscal affairs of your country. I listened with eagerness for the suggestion as to the amount to be needed for national defense this year. He asks \$200,000,000 only for additional national defense this year as a part of a \$500,000,000 program that he will present here on next Monday. Only \$200,000,000 for increased national defense out of all this ten billion! He said that we will not have to borrow to take care of the whole deficit. You heard that plainly, did you not? He said the same last year in almost identical language—"We will not have to borrow all the money." Social-security taxes will mop up the debt to the tune of about \$1,000,000,000. You are familiar with the method of collecting the social-security funds and the spending of these same funds for current expenses. Read this Budget message in the CONGRESSIONAL RECORD tomorrow. Then read the Budget message of January 1938. Note the similarity of the statement. Unblushingly, without alibis in the present instance, is this fact acknowledged.

Next week we shall listen to many speeches, some severely critical, others in defense or only evangelistic pleading about intangible or spiritual values secured by the expenditure of these vast sums of borrowed money.

We are today advised that we ought to have a special budget for many so-called permanent improvements. The stone walls you have built all over the land may be fairly permanent. Perhaps I should have spent my own money on my own estate building stone walls because they would be permanent investments.

Again you are asked today to wipe off the books the huge losses of those independent corporations that were set up to



avoid the necessity of coming to the Congress for appropriations. He states, "You did that for the R. F. C. last year." We might as well, and so have a true picture to present in future Treasury reports. It was, and is, ridiculous that the R. F. C. shall pay interest to the Treasury on money given to Harry Hopkins; also to the Commodity Credit Corporation, which lost \$500,000,000 on cotton last year. The R. F. C. finally pleaded, "Will you not wipe out these losses so that we may no longer be forced to carry them as assets and pay further interest on these amounts?" The January 1937 Budget message estimated that loss of interest for the year. So we canceled two and one-half billion dollars of so-called assets. Having succeeded in obtaining our consent last year to the marking off of two and one-half billions, in today's message he requests that we cancel many more losses of those corporate devices. Read the items when presented.

He wants us to wipe out the losses of not one but two, three, four, five, six, seven, or eight different corporations; so that we, and the people generally, may not again have them called to our attention. We may as well be willing to forget them, for then we shall at least have a return to honest bookkeeping.

A \$44,000,000,000 debt is not a good rampart for national defense. It is now not to be wondered at that Governor Eccles came to the rescue of the President recently in a reply to the Senator from Virginia. He declared, in effect, "Debts? Do not worry about debts. They are harmless and they should not even be paid off too hastily, because our economics might thereby be greatly disturbed. Why, you know our private and our public debt added together is not as great today as it was in 1929."

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. In just a moment. I want to get this thought over to you.

When you and I borrow money and go into debt, we must show something tangible with which to pay that debt later on. A private debt cannot be compared at all with a public debt spent for something that is generally a liability, because of its maintenance and unsaleability. There is a vast difference between a large public debt and a large private debt. We can cancel a private debt with assets acquired in its assumption.

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. Briefly.

Mr. KNUTSON. Is not the gentleman aware of the fact that the only field for investment today is Government securities, and if the Government stops spending and issuing more bonds there will be no place for the American people to invest their money?

Mr. GIFFORD. I should like some time to discuss that matter. Indeed, I have discussed it many times. The procedure of financing our public debt is intensely interesting and fully explained in the latest issue of *Fortune* magazine. You really should read it and indeed wonder when the end of creating such fictitious debt money may be reached.

I am calling attention to today's Budget alibis. To cover up and further mislead, they now desire to open up another Budget and carry so-called permanent improvements as assets. Who can possibly determine their true value for use in the payment of the debt?

That 2 and 2 make 4 and never 5 or 3;

The heart of man is sore and long is like to be.

You cannot hide the truth in such a manner. The inexorable law of mathematics will not permit it. Every person who is listening to me knows we cannot go on much longer in this fashion; that there is a limitation to public credit, and it may be very near.

Even now it is a worrisome procedure for the Treasury to place huge Government loans. Do they not carefully time these operations after advising with the large bankers, insurance companies, and investment houses? Do they not eagerly inquire, "Is this an opportune moment to offer these bonds to the public? How much shall we sweeten them with attractive interest rates in order that former holdings now due will be converted and new cash be cheerfully offered?"

Have you noticed that the bankers now insist that at least one-half of new financing be in very short-term securities?

I wish to remind you that during the war your Secretary of the Treasury, by all the salesman's arts he could muster, sold bonds to you and me and to all the people generally. Only 20 percent were taken up by the banks. But today practically all the bonds are taken by these large institutions and would be, could be, and probably will be, dumped in huge quantities at the very moment when they should be held rather than thrown on the market. Everybody knows that, but it is hoped that the present machinery of the Government and its sinking funds will be able to meet that emergency by supporting the market.

However, limiting my remarks to the Budget, I will go back to 1937, when the President stated that one and one-half billion dollars only, representing surplus of that year, would be needed for relief and that we would have a balanced Budget. But the deficit was one and three-tenths billion dollars. He again said that this year of 1939 we would have a deficit of less than one billion. Today he tells us that it is to be three and nine-tenths billion dollars—to quote one of this morning's editorials, "\$4,000,000,000 out of whack." He follows that up by saying that in 1940—think of it! 1940—1 year and 11 months away—the deficit will again be \$4,000,000,000. If he says that today, of course, it will be even more than that. According to a report of December 29, 1938, the present gross public debt is already thirty-nine and one-half billion dollars. Contemplate the forty-four billion in 1940. Whither are we heading?

What manner of man is it who can face us with a message like that of today, bearing in mind his solemn admonitions in 1933? Apparently he really thinks that we are "insincere or ignorant."

Mr. RICH. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the gentleman know that we now have a law prohibiting the national income from becoming over \$45,000,000,000? Does the gentleman know further that this administration during this session is going to ask us to increase that to \$80,000,000,000? Will the Congress do it?

Mr. GIFFORD. I thought it was to be only seventy-five.

Mr. WOLCOTT. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. WOLCOTT. As I understand the President's message, on July 1, 1940, at the end of the fiscal year 1940, the estimated national debt will be forty-four and one-half billion dollars. That is the national debt. To determine the total public debt we must add to that the sum of \$20,000,000,000 internal public debt, which will bring the total public debt of the United States on July 1, 1940, to \$65,000,000,000, or a little more than \$1 for every second since the birth of Christ.

Mr. GIFFORD. Debt is a healthy condition, according to Governor Eccles.

Let me tell this simple story to you new Members: In March 1933 this party came into power with \$3,500,000,000 of Hoover assets in the Treasury. They have collected \$3,000,000,000 of that and spent it. They have passed three tax bills increasing taxes and revenues, and they have spent it all. They gave us rum taxes, raising about \$700,000,000 a year. They have spent that. They have taken our social-security taxes to the amount of approximately \$960,000,000 and used the money for current expenses. They have spent it.

By June 30 they will have borrowed \$19,000,000,000 and spent it. And at the moment, instead of having \$3,500,000,000 of assets in the Treasury, as shown by the last Treasury report giving what we have in good R. F. C. securities, there are only \$3,500,000,000 of assets, counting the capital stock of those corporations still going merrily on with their loaning and spending and for which an estimate of 50 percent of their face value would be a liberal one.

Some authorities estimate these capital stock issues to be worth 50 cents on the dollar, while others maintain that in a final accounting not 20 cents on the dollar. You may form your own opinions.

In 1936 the President told the Nation:

We have \$6,000,000,000 of assets in the Treasury besides debts due from other nations.

Then, almost immediately afterwards, we had to mark off \$2,500,000,000. Let not the President of the United States again make such statements. It is impossible that he should be ignorant of the real conditions.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Illinois.

Mr. SABATH. When we entered 1933 there was \$3,500,000,000 in the Treasury. Will the gentleman state what the deficit was for 1932 and 1933, incurred by the Hoover administration?

Mr. GIFFORD. Oh, yes.

Mr. SABATH. Was it not over \$5,000,000,000?

Mr. GIFFORD. Counting both those years, it was five and one-half billion, because he loaned money to the banks, railroads, and the insurance companies, receiving in return a large amount of real assets, which were largely recovered.

Mr. SABATH. Without that?

Mr. GIFFORD. No; not without that. I have the figures here.

Mr. SABATH. Was the loan made to the bank of former Vice President Dawes paid back?

Mr. GIFFORD. I can put that into the RECORD if I so desire. I am so sorry for the gentleman to be forced to refer to that unfortunate condition in his city.

Mr. SABATH. Did Dawes pay back what was loaned?

Mr. GIFFORD. Go back into antiquity if you desire.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I think we should clear up now once and for all this session the matter of the Dawes loan. Jesse Jones, appearing before the Committee on Banking and Currency, stated that he was a member of that Board when the loan was made. He did not evade any responsibility for making the loan. He said he would do it now as Chairman of the Board as he did at that time as a member of the Board. He said the most the Government should ever lose on that loan would be \$10,000,000, but that if the loss were the whole amount of that loan of \$90,000,000 it would have been a good investment by the Government. It saved billions of dollars of investments and deposits in the Midwest. It prevented, in the Chicago area, losses comparable to those suffered because of the closing of the Michigan banks.

Mr. SABATH. Does the gentleman—

Mr. GIFFORD. I yield no further at this time. That is a complete answer. The alibi speeches can come forth later.

I sympathize with you deeply, with you real Democrats. I do not desire to be facetious today, but a little later on we shall remind you how you even played "political poker with your charity chips," as recently stated by one of our able columnists.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. In his message yesterday the President stated that the American people are wiser and tougher than they used to be. They must be tough, or they could not have survived 5 years of the New Deal. November 8 proved that they are wiser. [Laughter and applause.]

Mr. GIFFORD. I was greatly interested in the terminal remark of our beloved Speaker when he delivered his address on the radio just recently: "As an American citizen I cannot refrain, in closing, from expressing my very great satisfaction over the bright prospects for the New Year." I believe he visualized the increased membership on this side of the House and felt that the Nation may now be saved. [Applause.]

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal and following the disposition of business on the Speaker's desk, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore (Mr. Woodrum of Virginia). Is there objection to the request of the gentleman from Pennsylvania?

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, in order that there may be no misunderstanding may I say that last year the policy was adopted that when unanimous-consent requests were preferred that a Member might speak on a day certain it was always understood that he would speak after the disposition of matters on the Speaker's table and following the legislative program of that day, if there was any such program. Whether or not there will be a legislative program on Monday I do not know, but I doubt it. However, I want it understood that it will be the custom this year that when a Member requests time to speak this condition is coupled with his request.

Mr. RICH. I may say to the majority leader I tried to make my request in such form that it would embody that condition.

Mr. MAPES. Reserving the right to object, Mr. Speaker, while the gentleman from Texas is on his feet, may I ask if he can tell the House what the program will be for the first few days of next week?

Mr. RAYBURN. I do not believe there will be any program for the first few days.

Of course, a few committees will be named by that time. A majority of the minority and majority members of the Committee on Appropriations have already been named. I believe that committee is now working, but I do not see any prospect that they will report out anything before the middle or the last of next week.

Mr. MAPES. Then practically nothing will be done except these speeches on general subjects.

Mr. RAYBURN. That is what I think, yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that I may have the privilege of addressing the House for 15 minutes on Wednesday next after the legislative program, if any, has been disposed of.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### EXTENSION OF REMARKS

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a report made by me to Mr. RANKIN, chairman of the World War Veterans' Committee, covering a survey of veterans' hospital facilities in eastern Pennsylvania, southern New Jersey, and in the State of Delaware, as well as an inspection of the United States Naval Hospital in Philadelphia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SOMERS of New York, for an indefinite period, on account of illness.

#### ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 20 minutes p. m.) the House, in accordance with its previous order, adjourned to meet on Monday, January 9, 1939, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

134. A letter from the Secretary of the Treasury, transmitting the Annual Report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30,



1938 (H. Doc. No. 5); to the Committee on Ways and Means and ordered to be printed.

135. A letter from the Acting Secretary of Agriculture, transmitting a report on forest roads and trails for the fiscal year 1938; to the Committee on Roads.

136. A letter from the Archivist of the United States, transmitting a report of the Archivist on lists of papers, consisting of nine items, of the United States Civil Service Commission; to the Committee on the Disposition of Executive Papers.

137. A letter from the Court of Claims of the United States, transmitting a statement of all judgments rendered by the Court of Claims for the year ended December 3, 1938, the amount thereof, the parties in whose favor rendered; to the Committee on Claims.

138. A letter from the Secretary of War, transmitting the draft of a proposed bill for the relief of Mrs. Dolores P. de Williamson, Republic of Panama; to the Committee on Claims.

139. A letter from the Clerk of the House of Representatives, transmitting the report for the period from July 1, 1937, to June 30, 1938, both inclusive, giving names of statutory and contingent-fund employees of the House and their respective compensations, including clerks to Members; the expenditures from the contingent fund and from certain specific appropriations; to the Committee on Accounts.

140. A letter from the Attorney General, transmitting a statement of the expenditures under appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1938; to the Committee on Expenditures in the Executive Departments.

141. A letter from the Federal Alcohol Administration, Division of the Treasury Department, transmitting the Fourth Report of the Federal Alcohol Administration; to the Committee on Ways and Means.

142. A letter from the Acting Secretary of the Navy transmitting the draft of a proposed bill to provide for acceptance and cashing of Government pay checks of retired naval personnel and members of the Naval and Marine Corps Reserves by commissary stores and ship's stores ashore, located outside the continental limits of the United States; to the Committee on Naval Affairs.

143. A letter from the Acting Secretary of the Navy transmitting the proposed draft of a bill to amend section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," so as to authorize the payment of per diem in connection with naval aerial surveys and flight checking of aviation charts; to the Committee on Naval Affairs.

144. A letter from the Acting Secretary of the Navy transmitting the draft of a proposed bill to amend the act entitled "An act to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.," so as to permit the removal of certain encumbrances on the lands concerned; to the Committee on Naval Affairs.

145. A letter from the Acting Secretary of the Navy transmitting the draft of a proposed bill to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, so as to provide uniformity in the pay of all civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska"; to the Committee on Naval Affairs.

146. A letter from the Acting Secretary of the Navy transmitting the draft of a proposed bill to amend section 1860 of the Revised Statutes, as amended, to permit retired officers and enlisted men of the Army, Navy, and Marine Corps to hold civil office in any territory of the United States; to the Committee on Naval Affairs.

147. A letter from the Acting Secretary of the Navy transmitting the draft of a proposed bill to prohibit the unauthorized wearing, manufacture, or sale of medals and badges

issued by the Navy Department; to the Committee on Naval Affairs.

148. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to amend section 302 of the Tariff Act of 1930 (46 Stat. 686; U. S. C. 1481b), as amended, so as to exempt Guam and American Samoa from internal-revenue taxes; to the Committee on Ways and Means.

149. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Island, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, Enderbury Island, and for other purposes; to the Committee on the Judiciary.

150. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to provide for the removal of civil or criminal prosecutions from a State court to the United States district court in certain cases; to the Committee on the Judiciary.

151. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill relating to allowances to certain naval officers stationed in the Canal Zone for rental quarters; to the Committee on Naval Affairs.

152. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to amend the act entitled "An act for making appropriations for the naval service for the fiscal year ending June 30, 1903, relative to the payment of the commuted rations of enlisted men"; to the Committee on Naval Affairs.

153. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to repeal sections 3744, as amended, 3745, 3746, and 3747 of the Revised Statutes; to the Committee on Expenditures in the Executive Departments.

154. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to provide for civilian naval training; to the Committee on Naval Affairs.

155. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service; to the Committee on Naval Affairs.

156. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to authorize the President of the United States to dispose of certain public vessels; to the Committee on Naval Affairs.

157. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to permit warrant officers to count all active service rendered under temporary appointment as warrant or commissioned officers in the United States Naval Reserve force for the purpose of promotion to chief warrant rank; to the Committee on Naval Affairs.

158. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to amend sections 712 (d) and 902 (a) of the Merchant Marine Act, as amended, relative to the requisitioning of vessels; to the Committee on Merchant Marine and Fisheries.

159. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to repeal sections 3711 and 3712 and 3713 of the Revised Statutes which relate to the purchase in the District of Columbia of coal and wood for public use, and for other purposes; to the Committee on Expenditures in the Executive Departments.

160. A letter from the Chairman of the Interstate Commerce Commission, transmitting copies of the valuation of properties subject to the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

161. A letter from the Chairman of the Interstate Commerce Commission, transmitting the Fifty-second Annual Report of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

162. A communication from the President of the United States, transmitting a supplemental estimate of appropria-

tion for the Social Security Board for the fiscal year 1939 amounting to \$9,000,000 (H. Doc. No. 88); to the Committee on Appropriations and ordered to be printed.

163. A communication from the President of the United States, transmitting five supplemental estimates of appropriation for the fiscal year 1939, for the Department of Agriculture, totaling \$11,680,000 (H. Doc. No. 89); to the Committee on Appropriations and ordered to be printed.

164. A letter from the Secretary of the Treasury, transmitting a combined statement of the receipts and expenditures, balances, etc., of the Government during the fiscal year ended June 30, 1938; to the Committee on Expenditures in the Executive Departments.

165. A letter from the United States Employees' Compensation Commission, transmitting the annual report of the United States Employees' Compensation Commission covering the fiscal year ended June 30, 1938; to the Committee on the Judiciary.

166. A letter from the Consumers' Counsel, National Bituminous Coal Commission, transmitting the Annual Report of the Consumers' Counsel of the National Bituminous Coal Commission for the fiscal year 1937-38; to the Committee on Ways and Means.

167. A letter from the Board of Commissioners of the District of Columbia, transmitting a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1938; to the Committee on the District of Columbia.

168. A letter from the Postmaster General, transmitting the Annual Report of the Postmaster General for the fiscal year ended June 30, 1938; to the Committee on the Post Office and Post Roads.

169. A letter from the Acting Secretary of the Interior, transmitting a report for the fiscal year ending June 30, 1938, of the special helium-production fund; to the Committee on Military Affairs.

170. A letter from the United States Government Printing Office, transmitting the Annual Report of the Public Printer for 1938; to the Committee on Printing.

171. A letter from the national legislative committee, the American Legion, transmitting the financial statement of the American Legion for the first 11 months of 1938; to the Committee on World War Veterans' Legislation.

172. A letter from the Federal Home Loan Bank Board, transmitting Sixth Annual Report of the Federal Home Loan Bank Board for the period July 1, 1937, through June 30, 1938 (H. Doc. No. 90); to the Committee on Banking and Currency and ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAAS:

H. R. 1774. A bill to authorize the transfer to the State of Minnesota of the Fort Snelling Bridge at Fort Snelling, Minn.; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. R. 1775. A bill providing for the appointment of one additional cadet at the United States Naval Academy, to be selected by the Governor of the Panama Canal Zone; to the Committee on Naval Affairs.

By Mr. BLAND:

H. R. 1776. A bill to provide for the assignment of medical officers of the Public Health Service for duty on vessels of the Coast and Geodetic Survey, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SMITH of Virginia:

H. R. 1777. A bill to amend section 325 of title 39 of The Code of the Laws of the United States of America; to the Committee on the Post Office and Post Roads.

H. R. 1778. A bill to amend section 335 of title 39 of The Code of the Laws of the United States of America; to the Committee on the Post Office and Post Roads.

By Mr. CHAPMAN:

H. R. 1779. A bill authorizing the erection of a memorial to Col. Richard M. Johnson and his regiment in Scott County, Ky.; to the Committee on Military Affairs.

By Mr. BLAND:

H. R. 1780. A bill to amend section 7 of the act of June 19, 1886, as amended (U. S. C., 1934 edition, Supp. III, title 46, sec. 319), relative to penalties on certain undocumented vessels and cargoes engaging in the coastwise trade or the fisheries, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LUTHER A. JOHNSON:

H. R. 1781. A bill to amend the Revenue Act of 1936 by extending the time for filing of claims for refund of amounts paid or collected as tax under the Agricultural Adjustment Act; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 1782. A bill to amend section 4335 of the Revised Statutes of the United States, relative to change of masters of vessels; to the Committee on Merchant Marine and Fisheries.

H. R. 1783 (by request). A bill to amend section 4417 of the Revised Statutes of the United States, as amended (U. S. C., title 46, sec. 391); to the Committee on Merchant Marine and Fisheries.

H. R. 1784. A bill to amend section 4498 of the Revised Statutes of the United States, as amended, relative to the renewal of licenses of vessels; to the Committee on Merchant Marine and Fisheries.

H. R. 1785. A bill relating to the enforcement of the Motorboat Act of June 9, 1910, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 1786. A bill to amend section 4325 of the Revised Statutes of the United States, as amended, relative to renewal of licenses of vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. ELLIOTT:

H. R. 1787. A bill to protect American labor; to insure employment opportunities for America's workers; to increase the purchasing power of America's farmers; to provide markets for the products of America's workers and America's farmers; to relieve the distress created through the entry into American markets of articles, goods, or commodities, the products of foreign workers, at total landed costs (including the payment of tariff duties, if any) which are less than the costs of production of similar or comparable articles, goods, or commodities, the products of America's workers and America's farmers; to the Committee on Ways and Means.

H. R. 1788. A bill to confirm title to certain railroad grant lands located in the county of Kern, State of California; to the Committee on the Public Lands.

H. R. 1789. A bill to provide that proceeds of taxes imposed under the Social Security Act with respect to employment shall be set aside in the Treasury for making old-age benefit payments under such act; to the Committee on Ways and Means.

H. R. 1790. A bill to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order; to the Committee on the Public Lands.

By Mr. McCORMACK:

H. R. 1791. A bill to prevent the retroactive application of any Federal tax upon the employees of the States and their instrumentalities; to the Committee on Ways and Means.

By Mr. LEA:

H. R. 1792. A bill to encourage travel in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT:

H. R. 1793. A bill authorizing an appropriation for the development of a naval base at Tongue Point, Oreg.; to the Committee on Naval Affairs.

By Mr. HENDRICKS:

H. R. 1794. A bill to authorize the coinage of 50-cent pieces in commemoration of the commencement, on March 2, 1937,



of the historical restoration program at St. Augustine, Fla.; to the Committee on Coinage, Weights, and Measures.

H. R. 1795. A bill to exempt motorboats of less than 21 feet in length engaged exclusively in commercial fishing in the inland waters of the United States from carrying certain equipment prescribed by the act of June 9, 1910, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 1796. A bill to provide for travel allowance to railway mail clerks assigned to road duty; to the Committee on the Post Office and Post Roads.

H. R. 1797. A bill to provide payments of pensions and increase of pensions to certain veterans, their widows, and orphans; to the Committee on World War Veterans' Legislation.

H. R. 1798. A bill for the relief of the Board of County Commissioners of Brevard County, Fla.; to the Committee on Claims.

By Mr. MALONEY:

H. R. 1799. A bill to exempt from the Officers' Competency Certificate Convention, 1936, all American vessels under 200 tons; to the Committee on Merchant Marine and Fisheries.

H. R. 1800. A bill to authorize the erection of a Veterans' Administration hospital in New Orleans, La., or adjacent thereto; to the Committee on World War Veterans' Legislation.

By Mr. MAAS:

H. R. 1801. A bill to authorize the construction of a bridge across the Mississippi River between Fort Snelling and St. Paul, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. FERNANDEZ:

H. R. 1802. A bill to provide for court stenographers in the United States district courts and to fix their duties and compensation; to the Committee on the Judiciary.

H. R. 1803. A bill to authorize the Federal Savings and Loan Insurance Corporation to expend certain of its funds to acquaint the public with insurance benefits afforded by it; to the Committee on Banking and Currency.

By Mr. KEOGH:

H. R. 1804. A bill to provide for the construction of a post-office and Federal building at substation E, of the Brooklyn, N. Y., post office; to the Committee on Public Buildings and Grounds.

By Mr. HALL:

H. R. 1805. A bill to exempt certain small pleasure craft and fishing vessels from the operation of the Officers' Competency Certificate Convention, 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMASON:

H. R. 1806. A bill for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H. R. 1807. A bill to amend section 798 of the Code of Law for the District of Columbia relating to murder in the first degree; to the Committee on the District of Columbia.

By Mr. FLAHERTY:

H. R. 1808. A bill to provide for weekly pay days for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. MAGNUSON:

H. R. 1809. A bill to amend section 4426 of the Revised Statutes of the United States, as amended by the act of Congress approved May 16, 1906; to the Committee on Merchant Marine and Fisheries.

By Mr. CELLER:

H. R. 1810. A bill to prevent obstruction and burdens upon interstate trade and commerce in motion-picture films, and to prevent the restraint upon the free competition in the production, distribution, and exhibition of motion-picture films, copyrighted or not copyrighted, and to prevent the further monopolization of the business of producing, dis-

tributing, and exhibiting motion pictures by prohibiting blind booking and block booking of motion-picture films and by prohibiting the arbitrary allocation of such films by distributors to theaters in which they or other distributors have an interest, direct or indirect, and by prohibiting the arbitrary refusal to book or sell such films to exhibitors in which they have no such interest; to the Committee on Interstate and Foreign Commerce.

By Mr. DEMPSEY:

H. R. 1811. A bill to restore certain benefits to members of the Civilian Conservation Corps and their dependents; to the Committee on Labor.

By Mr. BURDICK:

H. R. 1812. A bill limiting the annual salaries of employees of corporations and others who apply to the Government of the United States for credit or other assistance; to the Committee on Ways and Means.

By Mr. BOLAND:

H. R. 1813. A bill to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure; to the Committee on Education.

By Mr. COLMER:

H. R. 1814. A bill to amend the Social Security Act with respect to grants to States for old-age assistance; to the Committee on Ways and Means.

By Mr. BOLAND:

H. R. 1815. A bill to provide for the completion of the 25-mile spacing of horizontal and vertical control surveys in the State of Pennsylvania; to the Committee on Merchant Marine and Fisheries.

By Mr. ALLEN of Louisiana:

H. R. 1816. A bill to amend the Social Security Act to provide direct old-age pensions for citizens of the United States; to the Committee on Ways and Means.

By Mr. COLMER:

H. R. 1817. A bill to authorize the purchase and distribution of canned oysters and other canned sea foods; to the Committee on Agriculture.

H. R. 1818. A bill to regulate sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. R. 1819. A bill to amend section 92, title 2, of the Canal Zone Code, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 1820. A bill making it unlawful for Members of Congress and certain other employees of the Government to receive compensation for addresses and speeches and providing a penalty therefor; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 1821. A bill to provide for the payment in full of the principal of awards of the Special Mexican Claims Commission; to the Committee on Foreign Affairs.

By Mr. DIMOND:

H. R. 1822. A bill to amend the Mining Act of May 10, 1872, as amended; to the Committee on Mines and Mining.

H. R. 1823 (by request). A bill to provide for the extension of oil- and gas-prospecting permits in the Territory of Alaska; to the Committee on the Public Lands.

H. R. 1824. A bill to amend the first section of the act entitled "An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes," approved March 4, 1915 (38 Stat. 1214); to the Committee on the Public Lands.

H. R. 1825. A bill to extend the provisions of section 23 of the Independent Offices Appropriation Act, 1935; to the Committee on the Territories.

By Mr. HENDRICKS:

H. R. 1826. A bill relating to the accounts of deceased employees of the Railway Mail Service; to the Committee on the Post Office and Post Roads.

H. R. 1827. A bill to allow moving expenses to employees in the Railway Mail Service; to the Committee on the Post Office and Post Roads.

H. R. 1828. A bill to increase and equalize the pensions of the disabled ex-service men of the Regular Establishment whose disabilities were service-incurred; to the Committee on Invalid Pensions.

By Mr. DEMPSEY:

H. R. 1829. A bill to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; to the Committee on Indian Affairs.

H. R. 1830. A bill to provide for covering into the reclamation fund payments to the United States in connection with certain Federal irrigation projects; to the Committee on Irrigation and Reclamation.

By Mr. CELLER:

H. R. 1831. A bill providing for the refund of certain taxes paid by State and municipal officers and employees; to the Committee on Ways and Means.

By Mr. COLMER:

H. R. 1832. A bill authorizing the Commissioner of Light-houses to mark a portion of the channel of the Pearl River with buoys; to the Committee on Merchant Marine and Fisheries.

H. R. 1833. A bill authorizing the Commissioner of Light-houses to mark a portion of the Pearl River-Cat Island Channel with buoys; to the Committee on Merchant Marine and Fisheries.

H. R. 1834. A bill extending the benefits for veterans of the Spanish-American War, including the Philippine Insurrection and the China Relief Expedition, to contract veterinarians; to the Committee on Pensions.

By Mr. SNYDER:

H. R. 1839. A bill to provide for the location, survey, and building of a system of three transcontinental and six north-south highways; to the Committee on Roads.

By Mr. MONKIEWICZ:

H. J. Res. 62. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. AUSTIN:

H. J. Res. 63. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado:

H. J. Res. 64. Joint resolution proposing an amendment to the Constitution of the United States, fixing the terms of office of Representatives in Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. COCHRAN:

H. J. Res. 65. Joint resolution authorizing and directing the Secretary of the Treasury to make an investigation of labor-saving and labor-displacing machinery, and for other purposes; to the Committee on Ways and Means.

By Mr. MAGNUSON:

H. J. Res. 66. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BLOOM:

H. J. Res. 67. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. J. Res. 68. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1939, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

H. J. Res. 69. Joint resolution to establish the General Casimir Pulaski Memorial Commission to formulate plans for the construction of a permanent memorial to the mem-

ory of Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

H. J. Res. 70. Joint resolution to provide for the preparation, printing, and distribution of pamphlets containing the history of Brig. Gen. Casimir Pulaski, Revolutionary War hero, on occasion of the one hundred and fiftieth anniversary of the death of Brig. Gen. Casimir Pulaski, on October 11, 1929, with certain biographical sketches and explanatory matter; to the Committee on Printing.

By Mrs. NORTON:

H. J. Res. 71. Joint resolution proposing an amendment to the Constitution of the United States, providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado:

H. J. Res. 72. Joint resolution proposing an amendment to section 7, article I, of the Constitution of the United States, permitting the President of the United States to disapprove or reduce any item or appropriation of any bill passed by Congress; to the Committee on the Judiciary.

By Mr. NICHOLS:

H. Res. 35. A resolution to amend rules X and XI of the House of Representatives; to the Committee on Rules.

H. Res. 36. A resolution to amend rules X and XI of the House of Representatives; to the Committee on Rules.

By Mr. SMITH of Virginia:

H. Res. 37. A resolution to amend rule XXXV of the House of Representatives; to the Committee on Rules.

By Mr. TENEROWICZ:

H. Res. 38. A resolution authorizing the President of the United States to proclaim October 11, 1939, Gen. Casimir Pulaski's Memorial Day; to the Committee on the Judiciary.

By Mr. BOLAND:

H. Res. 39. A resolution requesting information relating to railroads; to the Committee on Interstate and Foreign Commerce.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Pennsylvania:

H. R. 1835. A bill for the relief of Della E. Bowman; to the Committee on Claims.

H. R. 1836. A bill for the relief of Jack Nelson; to the Committee on Claims.

H. R. 1837. A bill for the relief of Victoria Maghee; to the Committee on Immigration and Naturalization.

H. R. 1838. A bill granting a pension to Effie Maud Anderson; to the Committee on Invalid Pensions.

H. R. 1839. A bill granting an increase of pension to Hattie C. Knox; to the Committee on Invalid Pensions.

H. R. 1840. A bill granting a pension to Essie V. Dickey; to the Committee on Invalid Pensions.

By Mr. AUGUST H. ANDRESEN:

H. R. 1841. A bill granting an increase of pension to Thomas G. Nesseth; to the Committee on Pensions.

H. R. 1842. A bill for the relief of the city of Red Wing, Minn.; to the Committee on Claims.

H. R. 1843. A bill for the relief of the estate of K. J. Foss; to the Committee on Claims.

H. R. 1844. A bill for the relief of Frank W. Farrington; to the Committee on Claims.

H. R. 1845. A bill for the relief of Katherine Nelson, Katherine Tillman, Alice Mae Tillman, Robert Tillman, and Gertrude Tillman; to the Committee on Claims.

H. R. 1846. A bill for the relief of Malachy Ryan; to the Committee on Claims.

By Mr. BARRY:

H. R. 1847. A bill to authorize the cancellation of deportation proceedings in the case of Apostolos Vasili Perkas; to the Committee on Immigration and Naturalization.

H. R. 1848. A bill to authorize the cancellation of deportation proceedings in the cases of Nunziata Verna Di Palma and her daughter Florence Di Palma; to the Committee on Immigration and Naturalization.



H. R. 1849. A bill to authorize the cancelation of deportation proceedings in the cases of Antonina Ciciotti Contestabile and others; to the Committee on Immigration and Naturalization.

By Mr. BLOOM:

H. R. 1850. A bill for the relief of John Fleckstein; to the Committee on Claims.

By Mr. BOLAND:

H. R. 1851. A bill granting World War veterans' compensation to John Paszczuk; to the Committee on World War Veterans' Legislation.

H. R. 1852. A bill granting a renewal of Patent No. 1,327,755 relating to drawer or shelf lining; to the Committee on Patents.

H. R. 1853. A bill for the relief of Mary Frost and Joseph F. Frost; to the Committee on Claims.

H. R. 1854. A bill for the relief of John P. Poluke; to the Committee on Military Affairs.

H. R. 1855. A bill granting a pension to Mary Elizabeth O'Keefe; to the Committee on Invalid Pensions.

H. R. 1856. A bill granting a pension to Joseph L. Chapman; to the Committee on Invalid Pensions.

H. R. 1857. A bill for the relief of Nell Mullen; to the Committee on Claims.

H. R. 1858. A bill for the relief of Patrick James Durkin; to the Committee on Naval Affairs.

H. R. 1859. A bill for the relief of Henry Bowden; to the Committee on Military Affairs.

H. R. 1860. A bill for the relief of Joseph Kenney; to the Committee on Military Affairs.

H. R. 1861. A bill for the relief of Teresa Coyne, widow of Michael Coyne; to the Committee on Naval Affairs.

H. R. 1862. A bill for the relief of Frank A. Adamus; to the Committee on Pensions.

H. R. 1863. A bill for the relief of David A. Gould; to the Committee on Claims.

H. R. 1864. A bill for the relief of Charles Werwinski; to the Committee on Naval Affairs.

H. R. 1865. A bill for the relief of Richard Matthew Hallinan; to the Committee on Naval Affairs.

H. R. 1866. A bill for the relief of Ambrose J. Murray; to the Committee on Military Affairs.

H. R. 1867. A bill for the relief of the Katharine W. Murray Trust; to the Committee on Claims.

By Mr. BREWSTER:

H. R. 1868. A bill for the relief of G. W. Blanchard; to the Committee on Claims.

By Mr. BUCK:

H. R. 1869. A bill granting a pension to Georgene F. Jackson; to the Committee on Pensions.

H. R. 1870. A bill granting a pension to Margaretta Saugstad; to the Committee on Pensions.

By Mr. CANNON of Florida:

H. R. 1871. A bill to restore Charles N. Lique to the retired list of the Navy as a lieutenant, United States Navy; to the Committee on Naval Affairs.

By Mr. CELLER:

H. R. 1872. A bill for the relief of Mr. and Mrs. Peter Galatro, parents of Michael Galatro, deceased minor son; to the Committee on Claims.

H. R. 1873. A bill for the relief of Edward W. Gilkes; to the Committee on Immigration and Naturalization.

By Mr. COLMER:

H. R. 1874. A bill for the relief of E. V. Maki; to the Committee on Claims.

By Mr. DEMPSEY:

H. R. 1875. A bill for the relief of the Women's Board of Domestic Missions; to the Committee on Claims.

H. R. 1876. A bill for the relief of Nadine Sanders; to the Committee on Claims.

By Mr. ELLIOTT:

H. R. 1877. A bill for the relief of Walter W. Newcomer; to the Committee on Military Affairs.

H. R. 1878. A bill for the relief of the heirs of C. H. Pyle; to the Committee on Claims.

By Mr. FERNANDEZ:

H. R. 1879. A bill to confer jurisdiction on the United States District Court for the Eastern District of Louisiana to hear the claim of Mrs. Theodore Hebert, and for other purposes; to the Committee on Claims.

H. R. 1880. A bill for the relief of Mato, Miljenko, Bozo, and Augustin Cibilic or Zibilich; to the Committee on Immigration and Naturalization.

By Mr. FULMER:

H. R. 1881. A bill for the relief of Anne Boice; to the Committee on Claims.

By Mr. GEHRMANN:

H. R. 1882. A bill for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger; to the Committee on Military Affairs.

By Mr. HAWKS:

H. R. 1883. A bill for the relief of Marguerite Kuenzi; to the Committee on Claims.

By Mr. HENDRICKS:

H. R. 1884. A bill granting a pension to Augusta I. Hazelwood; to the Committee on Invalid Pensions.

H. R. 1885. A bill granting a pension to Mary Hardy Milburn; to the Committee on Invalid Pensions.

H. R. 1886. A bill granting a pension to Emma Washburn; to the Committee on Pensions.

H. R. 1887. A bill granting a pension to Minnie F. Leach; to the Committee on Invalid Pensions.

H. R. 1888. A bill granting a pension to Elizabeth Smith; to the Committee on Invalid Pensions.

H. R. 1889. A bill granting a pension to Beattie Hall; to the Committee on Invalid Pensions.

H. R. 1890. A bill granting a pension to Mrs. John H. Kuester; to the Committee on Invalid Pensions.

H. R. 1891. A bill granting a pension to Susie E. Payne; to the Committee on Invalid Pensions.

H. R. 1892. A bill granting a pension to Alta Manypenny; to the Committee on Invalid Pensions.

H. R. 1893. A bill granting a pension to Lillie Daley; to the Committee on Invalid Pensions.

H. R. 1894. A bill for the relief of Rupert Caviness, Inc., Ocala, Fla.; to the Committee on Claims.

By Mr. KEOGH:

H. R. 1895. A bill to authorize the cancelation of deportation proceedings in the case of Nathan Fink; to the Committee on Immigration and Naturalization.

By Mr. KINZER:

H. R. 1896. A bill granting an increase of pension to Sarah D. Stauffer; to the Committee on Invalid Pensions.

H. R. 1897. A bill granting an increase of pension to Nancy Campbell; to the Committee on Invalid Pensions.

H. R. 1898. A bill granting an increase of pension to Hettie A. Miller; to the Committee on Invalid Pensions.

H. R. 1899. A bill granting an increase of pension to Emma J. Miller; to the Committee on Invalid Pensions.

H. R. 1900. A bill granting an increase of pension to Elmira Diffenderfer; to the Committee on Invalid Pensions.

H. R. 1901. A bill granting an increase of pension to Emma Barnholt; to the Committee on Invalid Pensions.

H. R. 1902. A bill granting an increase of pension to Emma V. Morton; to the Committee on Invalid Pensions.

H. R. 1903. A bill granting an increase of pension to Sarah J. Lafferty; to the Committee on Invalid Pensions.

By Mr. LEA:

H. R. 1904. A bill for the relief of Filiberto A. Bonaventura; to the Committee on Immigration and Naturalization.

By Mr. LUDLOW:

H. R. 1905. A bill granting a pension to George E. Ryan; to the Committee on Invalid Pensions.

By Mr. MALONEY:

H. R. 1906. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Louisiana to hear, determine, and render judgment upon the claim of Bernard Schnauffer; to the Committee on Claims.

By Mr. MAAS:

H. R. 1907. A bill for the relief of Mrs. Lawrence Chlebeck; to the Committee on Claims.

H. R. 1908. A bill for the relief of the Detroit Fidelity & Surety Co. of Detroit, Mich.; to the Committee on Claims.

H. R. 1909. A bill for the relief of Siems-Helmers, Inc.; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 1910. A bill for the relief of Charles R. Randall; to the Committee on Pensions.

H. R. 1911. A bill for the relief of Martha A. Donaldson; to the Committee on Claims.

H. R. 1912. A bill for the relief of the estate of Alfred Batrack; to the Committee on Claims.

H. R. 1913. A bill for the relief of William E. Beldin; to the Committee on Claims.

H. R. 1914. A bill for the relief of Forest F. Gott and Emeline Gott; to the Committee on Claims.

H. R. 1915. A bill for the relief of Michael P. Dowling; to the Committee on Pensions.

H. R. 1916. A bill to admit Mrs. Henry Francis Parks permanently to the United States; to the Committee on Immigration and Naturalization.

By Mrs. NORTON:

H. R. 1917. A bill for the relief of Vincent F. Leslie; to the Committee on Claims.

H. R. 1918. A bill to provide for the coinage of medals to be presented to Capt. John Bogan, Sr., and to the members of the crew of the fishing sloop *Paramount*; to the Committee on Coinage, Weights, and Measures.

H. R. 1919. A bill for the relief of Edward M. Brodie; to the Committee on Military Affairs.

H. R. 1920. A bill for the relief of Frank A. Fical; to the Committee on Military Affairs.

By Mr. PLUMLEY:

H. R. 1921. A bill granting an increase of pension to Julia Cowdery Walker; to the Committee on Invalid Pensions.

H. R. 1922. A bill granting a pension to Clara Garvin; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD:

H. R. 1923. A bill granting an increase of pension to Nelle G. Eckman; to the Committee on Invalid Pensions.

H. R. 1924. A bill granting an increase of pension to Almira Kshinka; to the Committee on Pensions.

H. R. 1925. A bill granting an increase of pension to Hanna Sophia Westcott; to the Committee on Pensions.

H. R. 1926. A bill granting a pension to Mae E. Fletcher; to the Committee on Pensions.

H. R. 1927. A bill granting a pension to Ruby C. Fletcher; to the Committee on Pensions.

H. R. 1928. A bill granting a pension to Lulu Melick; to the Committee on Invalid Pensions.

H. R. 1929. A bill granting a pension to Stella Viola Ruckel; to the Committee on Invalid Pensions.

H. R. 1930. A bill granting a pension to Jeannette Landon; to the Committee on Pensions.

H. R. 1931. A bill granting a pension to Manning E. Wilson; to the Committee on Pensions.

H. R. 1932. A bill to authorize the cancellation of deportation proceedings in the case of Jacob Tabah, wife, Esther, and daughters Bertha, Dora, Rosa, and Angela; to the Committee on Immigration and Naturalization.

H. R. 1933. A bill granting an increase of pension to Mary Saxton; to the Committee on Invalid Pensions.

H. R. 1934. A bill granting an increase of pension to Ella Parsons; to the Committee on Invalid Pensions.

H. R. 1935. A bill for the relief of Wilfred J. Drey; to the Committee on Claims.

H. R. 1936. A bill granting a pension to Fred C. Vanderpool; to the Committee on Invalid Pensions.

H. R. 1937. A bill granting a pension to Lulu Marbaker; to the Committee on Invalid Pensions.

H. R. 1938. A bill granting an increase of pension to Mary M. Card; to the Committee on Invalid Pensions.

H. R. 1940. A bill granting an increase of pension to Alice A. Tyrrel; to the Committee on Invalid Pensions.

H. R. 1941. A bill granting a pension to Matie Patrey; to the Committee on Invalid Pensions.

By Mr. SPENCE:

H. R. 1942. A bill granting a pension to Caroline Julia Porter; to the Committee on Invalid Pensions.

By Mr. THOMASON:

H. R. 1943. A bill for the relief of Elizabeth Davis; to the Committee on Claims.

By Mr. WELCH:

H. R. 1944. A bill for the relief of Ira Glotfelter; to the Committee on Military Affairs.

## SENATE

MONDAY, JANUARY 9, 1939

(Legislative day of Thursday, January 5, 1939)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

FREDERICK HALE, a Senator from the State of Maine, HENRY CABOT LODGE, Jr., a Senator from the State of Massachusetts, and HENRIK SHIPSTEAD, a Senator from the State of Minnesota, appeared in their seats today.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, January 5, 1939, was dispensed with, and the Journal was approved.

### ADMINISTRATION OF OATH TO SENATOR BONE

Mr. BARKLEY. Mr. President, I understand the senior Senator from Washington [Mr. BONE] is present, and desires to take the oath of office.

The VICE PRESIDENT. The credentials of the Senator from Washington were presented on the opening day of the session and are in the Record and on file. If the Senator from Washington desires to take the oath at the present time the Chair will be glad to administer it to him.

Mr. BONE, escorted by Mr. BARKLEY, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to him by the Vice President.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hess, one of his secretaries.

### NATIONAL FOREST RESERVATION COMMISSION

The VICE PRESIDENT. The Chair announces the reappointment, pursuant to law, of the Senator from Georgia [Mr. GEORGE] as a member of the National Forest Reservation Commission.

### JOINT COMMITTEE ON FORESTRY

The VICE PRESIDENT. The Chair announces the appointment of the Senator from South Dakota [Mr. BULOW] as a member on the part of the Senate of the Joint Committee on Forestry, created under authority of Senate Concurrent Resolution 31, Seventy-fifth Congress, to fill the vacancy caused by the resignation of Hon. W. G. McAdoo, former Senator from the State of California.

### INVESTIGATION OF PHOSPHATE RESOURCES

The VICE PRESIDENT. The Chair announces the appointment of the Senator from Kentucky [Mr. LOGAN] as a member of the Special Joint Congressional Committee to Investigate the Adequacy and Use of the Phosphate Resources of the United States, created by Public Resolution 112, approved June 16, 1938, to fill the vacancy caused by the expiration of the term of service of Hon. James P. Pope, former Senator from the State of Idaho.

### REPORT OF THE CIVIL SERVICE COMMISSION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Civil Service, as follows:

*To the Congress of the United States:*

As required by the act of Congress to regulate and improve the civil service of the United States approved January 16,